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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: special economic assistance to individual countries or regions

Assistance for humanitarian relief, rehabilitation and development in East Timor

Report of the Secretary-General**

I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 55/172 of 14 December 2000, in which the Assembly requested the Secretary-General to report to it at its fifty-sixth session on the implementation of the resolution. The report covers developments from January 2001 to June 2001, subsequent to the adoption of Security Council resolution 1272 (1999) of 25 October 1999, by which the Council established the United Nation Transitional Administration in East Timor (UNTAET) with three components, a governance and public administration component, a humanitarian assistance and emergency rehabilitation component and a military component. The humanitarian assistance and emergency rehabilitation component has since been phased out as of 31 December 2000 since East Timor could no longer be considered to be experiencing a humanitarian crisis.

2. Even though the immediate emergency and humanitarian phase has passed, East Timor is still left with the challenge of rehabilitation, reconstruction and capacity development. UNTAET, the United Nations specialized agencies and Bretton Woods institutions are working together to provide coordinated United Nations system support to this new country. The United Nations agencies with a presence in the country, under the leadership of the United Nations Development Coordinator, include the United Nations Children's Fund (UNICEF), the World Health Organization (WHO), the International Labour Organization (ILO), the United Nations Population Fund (UNFPA), the World Food Programme (WFP), the Office of the United Nations High Commissioner for Refugees (UNHCR), the International Office for Migration (IOM), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP), the United Nations Development Fund for Women (UNIFEM), the United Nations Volunteers (UNV) and the United Nations Office for Project Services (UNOPS).

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** The delay in the submission of the present report was due to the fact that the United Nations Development Programme was asked to prepare the report on short notice.

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II. End to humanitarian crisis and preparations for future emergency situations

3. The humanitarian situation in East Timor continued to improve during the course of 2001. Although many people throughout the country remain vulnerable, it is generally accepted that the humanitarian phase, characterized by a focus on the provision of shelter, emergency health services and food assistance, has shifted to a more normalized development situation. The East Timor Transitional Administration, the United Nations system and other development actors are now engaged in medium- and longer-term development planning.

4. Following the phase out of the UNTAET humanitarian component, a small National Disaster Management Office was established within the Department of Police and Emergency Services of the Transitional Administration. The initial national framework, spanning preparedness, response, recovery, prevention and mitigation, was approved by the Cabinet in March 2001. A National Disaster Management Committee, which embraces a multisectoral approach, has been formed. Within its first six months, the Management Committee coordinated emergency relief to over 5,600 people in six districts, in partnership with United Nations agencies, non-governmental organizations (NGOs) and community organizations. Most recently, the relief operation, which took place as a result of severe flooding in the Lautem district, was the largest natural disaster response conducted in East Timor.

5. The Office currently comprises an East Timorese Deputy Head and two Timorese District Liaison Officers, who have begun to work alongside four international staff. One of the key challenges for the Office will be balancing successful capacity-development with ongoing operational demands. A year-long project funded by UNOPS is due to commence activities in August 2001, which, with continued assistance from United Nations agencies, as well as further development of community and regional partnerships, will enhance the development of national and district-level capacity as well as community-based disaster management activities.

III. Repatriation of refugees

6. As at 1 July 2001, some 181,665 East Timorese refugees have been repatriated, of whom 73 per cent have been assisted through organized voluntary repatriation movements. During the first sixth months of 2001, more than 7,170 returned refugees have been registered.

7. The Government of Indonesia, through its nominated Task Force, has facilitated and organized with international agencies the return of East Timorese refugees from West Timor. The repatriation of former Indonesian military reservists known as "Milsas" continues, although more slowly due to delayed pension payments. The Indonesian military (TNI) and the national police (POLRI) in West Timor have made renewed efforts to solve the refugee problem in the last few months. Continued international assistance is important to support the Government of Indonesia in voluntary repatriation, the preferred option, or resettlement.

8. The Government of Indonesia held a two-day registration exercise on 6 and 7 June 2001 in West Timor to establish how many refugees were in West Timor and to determine how many wanted to return to East Timor and how many to remain in Indonesia. Five hundred and seven registration sites were set up in East Nusa Tenggara, which includes West Timor. Around 1,600 registration officials and 80 field supervisors, as well as 3,372 personnel, consisting of members of the Indonesian military and the national police members, supervised the registration. The registration was observed by 12 of the 32 international observers invited. The observers visited around 120 registration sites, but were present only for the first day of registration and could not validate the final number of those who registered. The observers concluded that, "the registration process and balloting were carried out on the day in a manner that respected procedures and confidentiality to an acceptable degree". Initial results indicated that 98 per cent of those registered chose to stay in Indonesia. These preliminary results, which were released by the Government of Indonesia on 8 June 2001, showed that a total of 295,000 people had registered as refugees. This figure, which was almost three times the estimated number of refugees, resulted from a recounting of ballots in certain areas of West Timor. The Government of Indonesia has yet to release the final official figures of the 6 June registration.

Since the registration, the Government of Indonesia has acknowledged that the 98 per cent who indicated they wished to remain in Indonesia was not a true indication of the refugees' real intentions and stated that it was working to repatriate all who still wished to return to East Timor or to relocate within Indonesia.

9. There are 11 official crossing points into East Timor from West Timor manned by UNTAET peacekeeping forces. United Nations agencies, in close liaison with the peacekeeping forces, the United Nations Military Observers and the Border Control Service continually monitor the border points for any refugee returns. Since the brutal murder of three employees of the Office of the United Nations High Commissioner for Refugees (UNHCR) in Atambua by militia on 6 September 2000, and the subsequent withdrawal of all United Nations staff from West Timor, the United Nations system has not been in a position to fully facilitate movements nor to directly monitor the refugee situation in West Timor. An inter-agency security assessment mission was carried out by the Office of the United Nations Security Coordinator (UNSECOORD) in July to evaluate the security situation in West Timor and to offer recommendations regarding a future United Nations presence there.

10. Coordination and regular dialogue between the United Nations agencies and the components of UNTAET ensures complementary policies and practices vis-à-vis returns, returnee reintegration and reconciliation processes. The repatriation and reintegration of returnees has been supported through a multisectoral programme of protection-based and community-sensitive assistance carried out by the United Nations agencies. Assistance has also been targeted at the most vulnerable refugees. Psycho-social assistance programmes are available to support victims subjected to rape and other physical abuse in the camps as well as to mentally ill returnees. In addition, a child-tracing programme, undertaken by United Nations agencies in collaboration with its implementing partner, the International Committee of the Red Cross (ICRC), has reunited over 500 children to date. Preparations are also under way to ensure that an independent East Timor enacts appropriate refugee legislation and indications are that the independent government may be willing to accede to the 1951 Convention relating to the Status of Refugees and its 1967 Protocol soon after independence.

IV. Reconciliation

11. The reconciliation initiatives led by UNTAET have two key objectives: to get the refugees back from West Timor; and, through reconciliation, to ensure the long-term security of East Timor once UNTAET withdraws. The approach taken has been to initiate dialogue with a number of militia and political pro-autonomy leaders, many of whom still have control over large numbers of refugees in camps in West Timor. This strategy has been implemented through a district-by-district approach, beginning with the Baucau and Ainaro districts, and will soon cover Covalima, Aileu, Manufahi and Manatuto. In recent months the East Timorese leadership has become more actively involved with UNTAET in these efforts. Xanana Gusmão personally took the lead in border meetings with militia leaders in July 2001 and this will continue in August. Bishop Nascimento and six liurais (local chiefs) from East Timor visited Kupang, West Timor, in May to talk to various pro-autonomy leaders and refugees. The Bishop also held a mass in the Noelbaki refugee camp on the outskirts of Kupang. The results of the many initiatives taken over the past six months point to a renewed momentum in the direction of reconciliation and the active involvement of the East Timorese leadership in the process. Xanana Gusmão has appealed to the refugees to forget the past and come back and work together to build a new East Timor. The reconciliation initiatives undertaken by UNTAET with the support of the East Timorese have always stressed the need for reconciliation with justice.

V. Implementation of Security Council resolution 1319 (2000) by the Government of Indonesia

12. Regarding the disarming and disbanding of militias, it is difficult to ascertain to what extent the disarming and disbanding of militias had taken place in West Timor. The Indonesian military (TNI) is publicly taking a much more hard-line approach, but it is believed that there are still some weapons in the refugee camps.

13. With regard to the Atambua killings, subsequent to investigations by Indonesia, six persons were charged and brought to trial in Jakarta for the killing of the three UNHCR staff. The accused were found guilty and sentenced by an Indonesian Court on 4 May 2001

to prison sentences ranging from 10 to 20 months. On the same day, I noted that the ruling appeared incommensurate with what is known to have been deliberate and brutal killings and UNHCR expressed its disappointment, stating that is was an affront to the memory of the humanitarian workers who had given their lives in the service of humanity. For his part, the United Nations Transitional Administrator urged the Attorney-General of Indonesia to review the case in view of the inappropriate charges and the disproportionate sentences levied by the Jakarta Court. Further, the Transitional Administrator impressed upon the Indonesian authorities the need for the Atambua verdicts to be appealed through the Indonesian judicial system.

VI. Capacity development and Timorization of public administration

14. Capacity development is the core development challenge facing East Timor. Meaningful progress has been made to date in developing a new civil administration in the areas of recruitment, physical facilities and the equipping of civil servants. The specific challenges include human resource development, enhancing the policy and legal framework, managing the changing role of international personnel and managing the linguistic transition.

15. Within the Transitional Administration, the National Planning and Development Agency has been designated focal point for capacity development. The Agency, with the assistance of UNDP, has developed a comprehensive capacity-development plan for governance and public sector management, which focuses on preparing the ground for the transition to an independent East Timorese administration and on strengthening the cross-sector capacities essential for functioning of a lean public administration capable of delivering basic services. This initial four-year programme could be followed by a period of eight to ten years during which the public administration can expand its service delivery to the population through improvements in its programming, expertise and capacity. The programme was presented and was well received at the Donor's conference in Canberra in June 2001. The Cabinet of the Transitional Administration also endorsed the programme, which is being implemented with donor and United Nations agencies support.

16. Timorization of the civil service, that is the establishment of a fully functional civil service managed by East Timorese staff, has progressed significantly. Despite the complexity of the task and the multiplicity of issues involved in the establishment of a lean, productive and service-oriented civil service that meets the needs and expectations of East Timor and the East Timorese, the Civil Service and Public Employment Office, the key unit of the Transitional Administration supporting the rebuilding process of the civil service, had recruited more than 72 per cent of managerial level civil service employees and 89 per cent of all of the 10,654 civil service positions (budgeted for the fiscal year 2000/2001) as of 30 June 2001.

17. The East Timorese and their development partners still face enormous challenges in transforming an administration that is essentially international in character into a sustainable national administration. To that end, the Civil Service Academy continues to offer a wide array of courses and training programmes in governance, administration and management. Management and substantive training is also being organized and conducted at the departmental level. The United Nations system and development partners have also provided institutional support to local NGOs.

A. Health

18. During the first six months of 2001, the work of the Division of Health Services within the Transitional Administration focused on restoring access to basic services and rebuilding the policies, systems and human resources needed for long-term sustainability. Initial assessments indicate that improvements in health-care provision are more constrained, in large measure, by human resources rather than by physical facilities or policy issues. At the community level, it is planned to provide services through a network of 64 community health centres, 88 health posts and 117 mobile clinics, with referrals as necessary to hospitals. Most of these clinics are already functioning but a number of mobile clinics await the distribution of 130 motorcycles in August. Data collected in March 2001 indicates that 80 per cent of the population now has access to permanent health-care facilities. Ongoing monitoring suggests, however, that utilization of health

services is low and highly variable, with below 40 per cent of health facilities being properly utilized.

19. Routine immunization of all children in the first year of life is low (15 per cent). However, a joint United Nations agencies/Transitional Administration national polio immunization programme in late 2000 achieved 80 per cent coverage. Significant progress has been made towards the establishment of a national tuberculosis control programme in East Timor. Caritas Norway, together with Caritas East Timor, the Menzies School of Health Research in Darwin, Australia and United Nations agencies, have actively supported the establishment of this programme. The national tuberculosis control programme, which recommenced in January 2000, is active in all the 13 districts of East Timor. During 2000, 4,054 patients were diagnosed with tuberculosis and their treatment, within the national programme, commenced. Since January 2001, the major communicable diseases active in East Timor are malaria, measles, meningitis, respiratory tract infections and diarrhoea.

20. A large number of health facilities were damaged or destroyed in the aftermath of the 1999 ballot. While many facilities have been repaired, a planned programme for further rehabilitation of the physical infrastructure has been developed, with design completed and construction of 25 clinics to be contracted by mid-July. A decision has yet to be taken as to whether the country should have five regional hospitals or more widespread coverage by having smaller hospitals. Currently four hospitals are operating: in Dili, Baucau, Oecussi and Maliana. Some rehabilitation work has been done on each of the four hospitals. One of the major challenges in the upcoming six-month period will involve the administrative handover of hospitals and other health service facilities. The World Bank's US$ 12.7 million health rehabilitation programme has provided valuable support to rehabilitation, policy and systems development.

21. A senior-level East Timorese has been recruited as Head of the Division of Health Services, four as deputies and 64 as heads of health services in the districts. To date, 800 staff have been recruited and it is anticipated that an additional 367 posts will be allocated in the coming fiscal year. The national recruitment of health staff has suffered from many delays but is now nearing completion. United Nations agencies supported the Division of Health Services in the development of all the national job descriptions as well as in the recruitment process, which gives high priority to capacity development of newly recruited staff through the provision of a mixture of training and mentoring. This work commenced with an intensive five-week training course in organizational management for staff newly appointed to senior management posts in the Division. In order to address the shortage of doctors, WHO has provided scholarships to 10 medical students to enable them to complete their studies.

22. A Health Policy Working Group, made up entirely of East Timorese Health Services staff and other stakeholders, has been formally established, as well as working groups on health promotion, vector borne disease control and reproductive health. The Health Policy Working Group is addressing critical issues of health system structure, functions and financing, focusing on policies that are likely to have greatest impact on health. In May, work began on developing a National Formulary for East Timor, based on the essential drugs list, together with Standard Treatment Guidelines for East Timor, covering most of the common diseases and health problems. These will incorporate and supplement existing guidelines for Integrated Management of Childhood Illnesses, malaria, tuberculosis and reproductive health and will facilitate the monitoring of health worker performance.

23. Realizing the urgent need for initiating timely steps to prevent the spread of HIV infection in East Timor, the Division of Health Services, in cooperation with United Nations agencies, has evolved prevention and control measures focusing on health education, dissemination of information, promotion of safe sexual behaviour among the population, establishment of facilities for early identification and treatment of sexually transmitted infection (STI) and provision of safe blood transfusion services. As a result of an inter-agency HIV/AIDS/STI mission to East Timor from 12 to 24 November 2000, the work programme of each United Nations agency was clearly identified. Other activities of United Nations agencies include strengthening HIV surveillance, studies of sexual behaviour, support for the establishment of safe blood transfusion services, laboratory diagnosis for HIV/STI, training for treatment and establishment of other curative services for STI and public awareness raising. The Division of Health Services has established an East Timorese working group for prevention of

HIV/AIDS, currently working with church and youth educators in touch with vulnerable young people.

24. The last six months has also seen an increase in activities to improve the provision of reproductive health services within a framework of a two-year joint plan of action for reproductive health being carried out by the Division of Health Services and the United Nations agencies. The latter is facilitating the supply of medical supplies, providing training and recruiting obstetric and gynaecological specialists.

25. The shift from emergency relief to a more traditional development phase has allowed development of non-emergency medical services. In the area of mental health, United Nations agencies supported the formulation of a mental health policy in East Timor and, based on its recommendations, a mental health programme is to be established, to be supported by the Australian Agency for International Development. Another area of increasing activity is environmental health. The Division of Health Services and the United Nations agencies are working with the Infrastructure Department to coordinate efforts in the field of water and sanitation. Special attention has been given to the issues of medical waste and work to mitigate the health risk of asbestos in Dili and other areas. The United Nations agencies have provided assistance by building local capacity to implement water and sanitation activities. Through this process, by May 2001 a total of 2,266 family latrines, 214 water jars of 1,300-litre capacity and rehabilitation/construction of 66 dug-wells in 50 villages have been completed. This initiative will be extended to another 100 villages during 2001-2002.

B. Education

26. Moderate success has been achieved in the area of education. Teacher shortages and a lack of school furniture rank among the greatest impediments. The physical rehabilitation of schools is progressing steadily. Damage to educational facilities during the violence was so severe, however, that these efforts will need to continue well past independence, not only to restore previous school infrastructure, but also to accommodate a fast-growing population and expanding enrolment rates. An original target for the rehabilitation of 2,100 classrooms has been increased to some 2,780 classrooms throughout the territory to accommodate higher-than-predicted enrolment numbers. At the time of this report, 400 schools, representing 2,088 classrooms, were at basic operational level, with physical rehabilitation completed, textbooks and teaching materials provided and teachers assigned. Work is ongoing on an additional 135 schools, representing 692 classrooms, and school furniture is being assembled and distributed. It is expected that all 2,780 classrooms will reach basic operational level by the end of September 2001. The Transitional Administration, the United Nations agencies, NGOs and the World Bank (through its US$ 13.9 million Emergency School Readiness Programme) have all been working together on the rehabilitation of the schools.

27. An extensive school mapping process began in April, both as a basis for decisions on the location of future schools and as a comprehensive data platform on which to develop policy. Emphasis will then shift to construction of a sustainable network of school facilities to accommodate future needs in the primary and secondary systems. Work has been contracted for three junior secondary and two primary prototype schools, which are to become the model of the future education infrastructure of East Timor. The intention is to design integrated primary and secondary schools, that save on maintenance costs and operate as an educational resource centre in the districts.

28. In the recruitment of East Timorese education officials, a total of 5,470 teachers have been recruited and confirmed in their positions, including an additional 900 primary teachers and 100 secondary teachers recently added to the budget after Cabinet authorization in February. A Timorese director-general, three directors and 13 district education superintendents and core technical and support staff at central and district levels have been appointed. The university is about to complete its first academic year, during which 3,462 students followed regular programmes and 1,386 followed a six-month bridging course. The regular academic programme now has 138 teaching staff and 95 administrative staff. In addition, more than 1,000 overseas scholarships have been supported by donor partners.

29. A multi-donor review of the educational sector was completed in April. In order to better integrate bilateral and multilateral aid and capital and recurrent expenditure forecasts, the joint donor mission worked with the education department on developing the education budget submission. The mission also

highlighted the need to develop longer-term strategic policy and financing options in education.

C. Security

30. Successful progress in all other areas of the transition is underpinned by developments in the security situation. Defence and diplomacy go hand in hand to establish a secure environment that fosters economic and social development. Since my last report to you, the administrative structure necessary to support the armed forces has been developed and recruitment and training have commenced. The Office of Defence Force Development was established in January 2001 with an East Timorese head and expert personnel seconded from bilateral partners.

31. Legislation establishing the East Timor Defence Force was approved by the National Council and signed into law by the Special Representative of the Secretary-General on 31 January 2001. To date, 650 of a total number of 1,500 regular soldiers have been recruited into the Defence Force, the vast majority drawn from the ranks of the Armed Forces for the National Liberation of East Timor. The first group of 250 soldiers completed basic training on 21 June. The second group is scheduled to commence training in mid-July.

32. A five-year blueprint for the future development of the East Timor Defence Force was presented in the Force Development Plan, recently published for review. The plan provided the basis for discussion at the second international conference of interested parties on the establishment of the Defence Force, which was held in Dili on 25 and 26 June. The meeting provided an opportunity to request bilateral assistance from participating countries for the establishment and development of the Force. Training and logistical support, as well as support for infrastructure and the provision of equipment for the Defence Force will depend on voluntary contributions, while costs associated with personnel, operating and maintenance will be borne by the Government of East Timor.

D. Justice

33. The four central areas of the justice system in East Timor — the court system, prosecution services, public defender services and prison services — have seen significant progress. The Court of Appeal (future Supreme Court) and District Courts of Dili, Baucau and Oecussi are also fully operational. The rehabilitation of the Suai Court has been delayed, but should be completed shortly. In addition, four District Prosecutors Offices, one national Public Defenders Office in Dili and one District Office in Baucau have been established. There are 25 judges, 13 prosecutors and 9 public defenders, all East Timorese, who are receiving on-the-job training and being mentored by international staff in a programme supported by the United Nations agencies. Three prisons — Becora, Gleno and Baucau — are now fully functional. The detention centre at Becora is being upgraded to provide 75 additional spaces by the end of June. More than 100 East Timorese prison guards have been recruited and are also receiving on-the-job training.

34. Within the Dili District Court, a panel for the trial of serious crimes committed in 1999 has been conducting hearings since January 2001. Serious crimes investigators have concentrated on 10 priority cases. Seven of the cases have been handed over from the Investigation Unit to the Prosecutor General. About 2,000 statements from witnesses, victims and suspects have been collected, 629 cases have been filed, 30 people have been detained and 44 persons indicted.

35. The second indictment of crime against humanity was filed on 6 February 2001. Five persons, including an officer of the Indonesian Army, have been indicted suspected of murder, rape, torture, unlawful deprivation of liberty, inhumane and degrading treatment and persecution. Two additional indictments of crimes against humanity were filed on 2 May and 6 June, both related to crimes committed in Liquiça district as part of a campaign of violence by members of the Indonesian military (TNI) and the pro-autonomy militia group, Besi Merah Putih.

36. The Prosecutor General's Office is pursuing a policy aimed at also prosecuting individual militia perpetrators who have been taking part in criminal acts, together with others in senior or command positions. A total of 20 persons have been accused of committing crimes against humanity. A number of individual cases of murder and other offences that fall under the serious crimes mandate have been tried or are in the process of being tried at the time of writing. The first sentence was delivered on 25 January 2001. A total of seven accused individuals have been convicted to date. A second panel for the trial of serious crimes comprising

two international and one East Timorese judge was established on 15 June to further expedite the trial process.

37. Involvement by NGOs in the justice arena remains an important and high profile activity. Yayasan Hak continues to be one of the most prominent organizations promoting human rights monitoring activities. Yayasan Hak has involved itself heavily in the development of many of the new regulations promulgated by UNTAET, ranging from policing regulations, regulations on the operation of the courts and on the proposed development of a regulation on NGOs in East Timor.

38. In parallel with the mainstream justice function, NGOs have been leading advocates of alternative methods of conflict resolution. NGOs such as the Dili-based Kadalak Sulimutuk Institute (KSI) and the recently formed Conflict Transformation Network have undertaken training in the region and beyond and have involved themselves in dispute resolution in a number of parts of East Timor. For example, representatives of KSI have recently returned from peace and non-violence training in the United States of America.

E. Law and order

39. The trend towards improvement in public safety has continued. Since January, East Timor has seen a significant reduction in reported crime. During the first six months of 2001, however, there have been a few cases in which relatively minor incidents rapidly transformed themselves into major conflagrations. During this period, civilian police deployment rose from 1,439 to 1,493 officers, encompassing the 777 officers of the Timor Lorosa'e Police Service. The East Timor Police Academy has been functioning since March 2000 and 850 cadets will have graduated by the end of June. Leadership training started in January of 2001, with 55 sub-inspectors having been trained and deployed throughout the 13 districts and 65 sub-districts of East Timor to co-locate with international civilian police leadership. The gradual transition from civilian policing to the Timor Lorosa'e Police Force, which aims to be at a full capacity of 3,000 personnel by April 2003, continues at a steady pace. Plans are also ongoing for expanding the number of rapid reaction units from one to three by April 2003, enabling the East Timorese to play a greater role in enforcing public security. United Nations agencies also provided training to police officers on juvenile justice and child rights, including training of trainers and preparation of a manual for training of district police officers.

F. Agriculture

40. The process of the Timorization of the Transitional Administration's Division of Agriculture Affairs is proceeding well, with 126 staff appointed and capacity-building efforts under way. All district agricultural offices are now under Timorese management. With asset rehabilitation activities now well under way, emphasis in the coming period will move from input supply and replacement of lost assets towards demand-driven programmes and structural interventions to address weaknesses in rural markets and distribution systems. United Nations agencies are providing assistance in policy development, which currently focuses on rice pricing policy and the informal sector in the economy.

41. At least 13 international NGOs are involved in agricultural activities with over 100 national organizations registered as having an interest or a direct involvement in this area. Some of the major support provided by international NGOs in this area include institutional development and training for farmers' organizations, particularly in the area of agro-forestry and terracing, as well as in agricultural techniques such as the use of permaculture methods, distribution of seed pack, provision of extension services and the provision of grants for the procurement of agricultural equipment.

42. National NGOs have also been active in a variety of areas, particularly in training in upland forestry, vegetable growing and in introducing a variety of sustainable agricultural techniques. Several NGOs have been working with local farmers' groups on the development of alternative marketing of agricultural products, especially coffee and rice. At the local level, a civil society organization, Hali Huhn, in Los Palos, is working with the local fishing community to enhance their fishing techniques and improve marketing and financial management.

43. The focus in rural community development has been to create an imperative for the rebuilding of agricultural capacity to ensure food security and income generation. A joint donors' mission with the

participation of the World Bank, the United States Agency for International Development, the Australian Agency for International Development, Portugal, FAO, UNDP, the United Nations Office for Project Services and the Japanese International Cooperation Agency, was conducted to review the agricultural sector from 26 March to 7 April 2001. The mission called for an integrated approach to support the agricultural sector in terms of cross-sectoral rural development. Assistance for the water and sanitation, microfinance, infrastructure and health sectors were sought in particular so as to ensure a major positive influence on rural livelihoods. Much of donor assistance has been channelled through international NGOs working closely with national NGOs for the improvement of the living conditions of rural livelihoods. In June 2001, in response to the joint donors' mission, UNDP assisted the National Planning Development Agency in the development of Oecussi Integrated Development Strategy. A similar exercise is expected to be replicated in other districts.

G. Infrastructure

44. While work for the rehabilitation of the infrastructure is advancing at a fast pace, progress towards the development of long-term sustainability has been hampered by a fundamental lack of capacity. Operations at the port and airport have normalized. The aviation and maritime sectors are expected to fund their own development from revenue during the next year. The Transitional Administration, the World Bank, the Asian Development Bank and the United Nations agencies are collaborating in the implementation of infrastructure projects, including a US$ 27 million programme funded by the Japanese Government.

45. Nineteen major public buildings of the East Timor Transitional Administration are under reconstruction, including 12 in Dili and 7 in the districts of Bacau, Ermera, Liquica, Maliana, Oecussi and Viqueque. These buildings will house, inter alia, the future Ministries of Education, Justice and Telecommunications, as well as a Central Administrative Service Warehouse and the National Records Centre. Since June 2000, 13 major public buildings have been completed, including the Court of Appeal, the Central Payments Office, the Police Academy, the Water and Sanitation Department and the Civil Service Academy. This reconstruction does not include the rehabilitation efforts funded through the assessed budget, which include UNTAET headquarters, the peacekeeping headquarters and the radio and television building in Dili, in addition to district-based civilian police stations, civil registration offices and power houses.

46. The road network is in worse shape than it was in the period prior to the 1999 ballot. A substantial road rehabilitation programme has been implemented in recent months. In general, activity to date has focused on rehabilitation and backlog maintenance of the core road network, which was allowed to deteriorate during the last five years of the previous administration. The performance indicator set for the network — that is that no core road should be closed for longer than two days, except where covered by rising waterways — has been consistently met — albeit in a reasonably mild wet season. In the last quarter, a community employment road maintenance programme was initiated, under which contracts have been set with villages to maintain the core roads within their boundaries. This approach has succeeded in creating employment at the local level and holding costs down.

47. The Water and Sanitation Service has shifted its service focus to improved public health, protection of the environment and support for the economic growth of East Timor. Its 153 national staff conducted activities in four key areas: urban water supply for Dili and the principal district towns, with support from United Nations agencies; community managed (rural) water supply and sanitation; urban sanitation; and water resource management. Rural water supply in particular is strongly supported by bilateral donors and NGOs.

48. The supply of electricity has improved in Dili, although many districts continue to experience major shortages. In some outlying areas, local residents are afforded up to six hours per day, although they experience sporadic power outages. The Power Sector is working towards being self-financing within three years, with the possible exception of a small absolute or cross-subsidy for lifeline tariffs for poor families. The complementary objectives of the Power Service are to maintain a clean, uninterrupted supply of power; an effective metering/billing system that takes account of the poorer elements in the community; effective collection of revenues; and stringent compliance. A programme to rehabilitate rural and district power stations is to commence in August 2001, with support

from the Trust Fund for East Timor, the Government of Japan, the Government of Portugal and the United Nations agencies.

VII. Donor assistance

49. Member States have continued to provide generous support to the reconstruction of East Timor and have commenced a range of major development activities. Donors presently fund a significant range of bilateral and multilateral development programmes in the key sectors in East Timor, effectively financing almost all development activity in the country.

50. Donors finance two major trust fund activities in East Timor — the Trust Fund for East Timor and the Consolidated Fund for East Timor, which are still not fully capitalized. In particular, it is very important that the existing donor base be expanded to help with financing the national budget of East Timor for the recurrent costs of government. For the period 2001-2005, East Timor will face a critical financing gap in funding its national budget while the productive sectors of the economy are reconstructed and developed. Member States are encouraged to consider contributions to the Consolidated Trust Fund to support East Timor's first few years of independence.

51. The process of engaging Member States and multilateral donors continues to be driven by East Timor Transitional Administration and the World Bank. This process has resulted in six monthly donor meetings in Tokyo, Lisbon, Brussels and, most recently, in Canberra in June 2001. The Canberra Donors' meeting was significant for the endorsement of the second national budget of East Timor and for the fruitful discussions on progress being made by the administration against a range of transitional benchmarks to track its performance. The next donors' meeting on East Timor is scheduled to be held in Oslo in December 2001. Member States are encouraged to attend this important meeting, likely to be the last prior to East Timorese independence.

VIII. Concluding observations

52. Since my last report on humanitarian relief, rehabilitation and development for East Timor of 26 September 2000 (A/55/418) and the adoption of resolution 55/172, the situation in East Timor has changed dramatically, and for the better. The security situation is stable; Timorization of the East Timor Transitional Administration has made much progress; and the focus of attention is on rehabilitation and development and no longer on humanitarian relief. East Timor has entered the last stage of transition before independence, with the holding of elections for a Constituent Assembly on 30 August in a non-violent environment with a huge voter turn out. While the stability and progress we are witnessing in East Timor are still fragile, continued support from Member States, the NGO community and United Nations family would ensure the continuation of this positive trend in this soon to become independent nation. I encourage Member States to continue to support our joint efforts and to remain engaged so that the investment we have made thus far will not be wasted.